UNITED STATES BANKRUPTCY COURT DISTRICT OF NEW JERSEY

Caption in Compliance with D.N.J. LBR 9004-2 (c)

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Veronica Curto

In Re:

ANTHONY C. CURTO JR. AND VERONICA CURTO

Debtors.

KINGTOWN TRUCKSTOP, LLC.,

Plaintiff(s),

v.

ANTHONY C. CURTO JR. AND VERONICA CURTO

Defendant(s).

Chapter 11 Subchapter V

Case No.: 20-14300 (VFP)

Adv. Pro. No. 20-01344 (VFP)

NOTICE OF PROPOSED COMPROMISE or SETTLEMENT OF CONTROVERSY

<u>Veronica and Anthony Curto, the debtors ("Debtors")</u>, in this case propose a compromise, or to settle a claim and/or action as described below. If you object to the settlement or compromise, you must file a written objection with the Clerk of the United States Bankruptcy Court, and serve it on the person named below not later 7 days before the hearing date.

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Debtor: Anthony & Veronica Curto

Case No.: 20-14300 (VFP), Adv, Pro. No.: 20-01344 (VFP)

Caption: Notice of Proposed Settlement Resolving Adversary Case

Address of the Clerk:

If an objection is filed, a hearing will be held before the <u>Honorable Vincent F. Papalia</u>, on <u>December 22, 2020 at 10:00AM EST</u> at the <u>United States Bankruptcy Court, 50 Walnut Street, Newark, NJ 07102, Courtroom 3B</u> (hearing to be scheduled for at least 28 days from the date of the filing of the notice). If no objection is filed the clerk will enter a *Certification of No Objection* and the settlement may be completed as proposed.

Nature of action:

On or about June 9, 2020, an adversary complaint (the "Complaint") to determine the dischargeability of an alleged debt was filed on behalf of Kingtown Truckstop, LLC (the "Plaintiff") and against the Debtors and was docketed as Adv. Pro. No.: (VFP) (the "Adversary Case"). The Debtors filed an answer to the Complaint on or about July 26, 2020. The Complaint alleged a non-dischargeable debt owed by the Debtors to Plaintiff in the amount of \$154,539.41. the Debtors disputed not only the character of the debt, asserting it to be a general unsecured claim, but also the amount.

Pertinent terms of settlement:

After extensive discussion and limited discovery, the parties determined it was in their mutual best interests to settle the dispute rather than continuing down the path of costly and time-consuming litigation.

The accord reached between the parties is that Debtors accept Plaintiff's \$154,539.41 claim and will pay \$30,000.00 as a "convenience class" claim through their chapter 11 plan with the remaining balance of \$124,539.41, being paid pro rata with other general unsecured claims through the plan. The \$30,000.00 convenience class claim is an agreed amount that will be non-dischargeable in the event the Debtors default on their chapter 11 plan payments. The remainder of \$124,539.41 remains a general unsecured claim subject to the same treatment as all other general unsecured claims

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The Debtors contest the Plaintiff's full asserted claim and the allegations of non-dischargeability, but all parties realizing the risks, uncertainties, and costs of litigation, support the resolution.

Objections must be served on, and requests for additional information directed to:

Name: Karina Pia Lucid, Esq.

Address: PO BOX 230, Liberty Corner, NJ 07938

Telephone No.: (908) 350-7505